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Message Text

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PAGE 01 STATE 094362

43
ORIGIN ARA-10

INFO OCT-01 ISO-00 EB-07 ERDA-05 AID-05 CEA-01 CIAE-00

CIEP-01 COME-00 DODE-00 FEAE-00 FPC-01 H-02 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-04 TRSE-00 FRB-03 PA-01 PRS-01 USIA-06

/092 R

DRAFTED BY ARA/ECP:RHSTERN
APPROVED BY ARA/ECP:GROLSEN
ARA/CEN:LKILDAY
ARA/NC:TWSONANDRES
EB/IFD/ODF:RSGELBARD
---------- 027960
R 241244Z APR 75
FM SECSTATE WASHDC
TO AMEMBASSY SAN SALVADOR
AMEMBASSY GUATEMALA
AMEMBASSY MANAGUA
AMEMBASSY PANAMA
AMEMBASSY SAN JOSE
AMEMBASSY TEGUCIGALPA
INFO AMEMBASSY CARACAS

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E.O. 11652: /A
SUBJECT: VENEZUELAN OIL SCHEME
REF: SAN SALVADOR 1338

1. DATA SUPPLIED REFTEL VERY USEFUL IN CUTTING THROUGH FOG SURROUNDING DISBURSEMENT AND UTILIZATION OF REBATE.

2. REFTEL CONTENTION THAT CENTRAL AMERICA AND PANAMA NOT LIMITED OFFICIAL USE

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ELIGIBLE FOR 1975 OIL FACILITY CREATED CONCERN HERE AND WE

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006

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MADE DISCREET INQUIRIES AT THE IMF.

3. WE ARE INFORMED (LATER CONFIRMED BY IMF SURVEY OF 4/14/75) THAT WHILE NO COUNTRY WILL BE AUTOMATICALLY EXCLUDED BECAUSE OF ALTERNATE OIL FINANCING, THE CONDITIONS PRECEDENT FOR THE 1975 FACILITY WILL BE STRICTER THAN FOR 1974. KEY CONDITIONS INCLUDE: (A) PURCHASES FROM THE FACILITY WILL BE LIMITED TO 125 PERCENT OF THE MEMBERS QUOTA OR 85 PERCENT OF ACTUAL INCREASED OIL COST OVER 1972, WHICHEVER IS THE LESSER, (B) EACH MEMBER WISHING TO DRAW MUST DESCRIBE ITS POLICIES FOR MEDIUM-TERM BOP PROBLEMS, ACCESS WILL BE SUBJECT TO ASSESSMENT OF ADEQUACY OF THESE POLICIES, AND (C) ASSESSMENT WILL SPECIFICALLY INCLUDE EVALUATION OF MEMBER'S FOR EX RESERVES AND ABILITY TO COVER DEFICITS THROUGH RESERVE DRAWDOWNS.

4. ACTION REQUESTED: ADDRESSEES ARE REQUESTED TO: (A) ASCERTAIN REAL VALUE OF FIRST YEAR REBATE IN LIGHT OF DATA PROVIDED PARA 1 REFTEL, (B) ESTIMATE PERCENTAGE OF REBATE LIKELY TO BE USED UNDER SIX YEAR PROVISIONS, AND (C) ESTIMATE POTENTIAL NEED AND ABILITY TO USE IMF FACILITY GIVEN NEW MORE STRINGENT CRITERIA AND IN LIGHT OF GOV OIL FACILITY. KISSINGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PETROLEUM, COFFEE, FOREIGN ASSISTANCE, LOAN AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: RHSTERN
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Executive Order: N/A
Errors: N/A
Film Number: D750144-0286
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Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1975/newtext/t19750420/aaaaaski.tel
Line Count: 84
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
Reference: 75 SAN SALVADOR 1338
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Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 08 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 SEP 2003 by CunninFX>; APPROVED <13 NOV 2003 by GolinoFR>
Review Markings:

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EO Systematic Review
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Review Transfer Date:
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Secure: OPEN
Status: NATIVE
Subject: VENEZUELAN OIL SCHEME
TAGS: EFIN, EAID, ES, VE
To: SAN SALVADOR MULTIPLE
Type: TE
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